BRITISH COLUMBIA

# BC STATS Infoline

Issue: 97-49 5 Pages
December 5, 1997

tel (250) 387-0327
fax (250) 387-0329

You will find the last 5 issues on our website:

**http://www.bcstats.gov.bc.ca**

## highlights

a weekly digest of recently released British Columbia statistics

### *The Census–Mother Tongue*

- **In 1996, three out of four (76%) British Columbians identified English as their mother tongue–the first language they learned at home in childhood and could still understand.** This was down from 79% in 1991, and 83% in 1971. In other provinces, the proportion ranged from 9% in Quebec to 99% in Newfoundland. Nationally, 60% of Canadians identified English as their mother tongue. Outside Quebec, the average was 77%.

  Eight in ten (82%) Quebecers, and 33% of New Brunswick residents said French was their mother tongue. This compares to 2% of British Columbians, and 5% of all Canadians outside Quebec. In the rest of Canada, French was least prevalent in Newfoundland (<1%) and most common in Ontario (5%). Ninety-seven percent of Canadians whose mother tongue was French lived in Quebec, Ontario and New Brunswick.

  Nineteen percent of Canadians identified languages other than French or English as their mother tongue. This proportion was highest in BC and Ontario (both at 22%), but Manitoba (21%), Alberta (16%) and Saskatchewan (14%) also had above-average representations of people who learned other languages in childhood. The importance of languages other than French and English has increased during the last 25 years: in 1971, 16% of Canadians outside Quebec–and 16% of British Columbians–identified non-official languages as their mother tongue. *Source: 1996 Census of Canada*

### *The Census–Common Law Unions*

- **Last year, 205,760 British Columbians (6.9% of the population aged 15 and over) were living in a common-law union.** Sixty percent of these common-law relationships involved at least one partner who had never been married. Another 30% of common-law unions involved at least one divorced partner.

  Twenty-six percent of British Columbians who said they were divorced were in a common-law union. Common-law unions were also prevalent among separated (15%) and never-married people (13%). *Source: Statistics Canada*

### *Tourism Room Revenues*

- **Tourism room revenues increased 2.1% (seasonally adjusted) between July and August, to $95.3 million.** Revenues were up in five of the province's eight regions, led by 4.9% growth in both Thompson/Okanagan and Nechako. In Mainland/Southwest, a 2.5% increase in room revenue helped offset declines in the previous two months. Revenues were also up in Kootenay (+2.1%) and Vancouver Island/Coast (+1.0%), but fell in the three other development regions, with Cariboo (-2.8%) posting the largest decline. Year-to-date revenues were up 3.9% over the first eight months of last year. *Source: BC STATS*

### *Labour Force*

- **British Columbia's unemployment rate edged down 0.1 percentage points in November, to 8.9% (seasonally adjusted).** The dip in the unemployment rate was due to employment gains (8,100, or 0.4%) which were more than enough to absorb the addition of 8,000 people (0.4%) to the province's labour force.

  Employment rose in most parts of the country, and as a result unemployment rates were down

*Report* **Worker's Pensions**

***Did you know...?***
***In 1971, five percent of British Columbians could speak both French and English. Last year, 7% of British Columbians indicated that they were bilingual. The national average was 17%.***

in eight of the ten provinces. PEI (+1.9 points) and New Brunswick (+0.4 points) were the only provinces where the unemployment rate rose in November. Nationally, the rate dropped 0.1 points to 9.0%, as 33,500 people found work last month. The increase in the number of jobs was almost double the growth in the size of the labour force (18,500). *Source: Statistics Canada*

- **Among the province's regions, unemployment rates ranged from a low of 3.7% (3-month moving average) in Northeast to 11.2% in Cariboo.** Unemployment rates in the Northeast and Thompson/Okanagan regions have been declining steadily during the last year. Thompson/Okanagan had the province's second-lowest unemployment rate (7.9%) in November. In Vancouver Island/Coast, the unemployment rate was 9.7% (up 0.5 points from October). It was unchanged at 8.2% in Mainland/Southwest. *Source: Statistics Canada*

### *Self-employment*

- **The number of self-employed British Columbians continued to rise in November, increasing 9.2% over the same month last year.** There were 377,000 self-employed workers in the province, compared to 345,000 in November 1996. The increase was the result of growth in the number of self-employed workers who do not have any employees (+18.5%, to 247,000). There were 5.1% fewer (130,000) workers with paid help this November than a year ago.

  Self-employment has been growing steadily since the end of 1995, increasing by about a fifth during the last two years. Much of the growth has been in the ranks of the self-employed who work on their own. While the number of self-employed workers with paid help experienced a growth spurt during the last year and a half, setbacks in recent months have brought the number back to almost the same level as in November 1995. *Source: Statistics Canada*

### *The Economy*

- **The value of building permits issued by BC municipalities declined 9.9% (seasonally adjusted) in October after increasing 17.5% in the previous month.** Permits for residential construction projects were down sharply (-21.8%) while the value of non-residential permits rose 15.4%. Nationally, building permits were down 3.0%, as the value of permits issued fell in all parts of the country except Ontario (+1.7%) and Yukon (+41.8%). In BC, planned construction has been below 1996 levels during most of the year, and year-to-date permits were down 7.6% from the first nine months of 1996. *Source: Statistics Canada*

### *University Enrollment*

- **This fall, 51,960 students enrolled in full-time studies at British Columbia universities, a 3.8% increase over the previous year.** BC universities reported the largest enrollment growth rate in the country. Nationally, full-time enrollment was up only marginally (0.3%, to 578,390). Enrollment was down in five of the ten provinces, with the largest decline occurring in Manitoba
(-3.8%). In Alberta, university enrollments declined 1.1%, but even so, more students were enrolled full-time (54,310) at universities in that province than in BC. *Source: Statistics Canada*

### *Environmental Wealth*

- **The value of Canada's stocks of energy, mineral and timber assets accounted for 10% ($316 billion) of Canada's national wealth in 1995 (manufactured assets, with a value of more than $2 trillion, comprise the bulk of Canada's national wealth).** Including agricultural and developed land, the share of the nation's wealth derived from resources and the environment increases to an estimated $972 billion, or 31% of the national wealth. The same measure represented 38% of the nation's wealth in the early 1980s. Lower world energy prices and the depletion of mineral and oil reserves have decreased the estimated value of Canada's environment-related assets. *Source: Statistics Canada*

**highlights,** Issue 97-49
December 5, 1997

*For data originating from Statistics Canada: data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the publication name or catalogue number.*

Infoline Report:
December 5, 1997

# Workers' Pensions

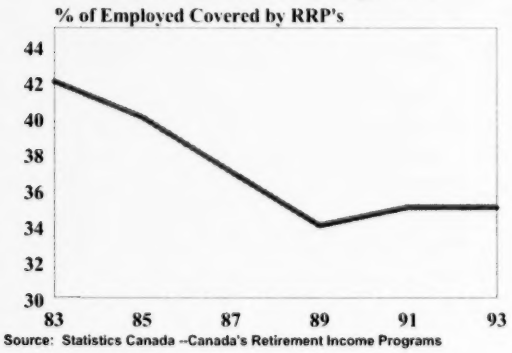
Originally published in July 1997 issue of *Earnings & Employment Trends*, available by annual subscription, $60 + GST

Today in BC, there are two sets of workplace pension programs intended to replace employment earnings for employees at retirement. These are the Federal Government's Canada Pension Plan (CPP), and the employer sponsored/ supported Registered Pension Plans (RPPs). Together, they accounted for 37 per cent of the income for Canadian seniors in 1993. [The Old Age Security Plan (OAS) accounted for a further 19 per cent of senior's income.]

## RPPs—Who are covered?

Employer sponsored pension plans are employee retirement programs which are voluntarily provided by employers in both the public and private sectors. These plans must be partly financed by the employer. Statistics Canada reported that in 1993, (the year of the most recent data) 35 per cent of workers in BC were covered by an RPP plan, down from 42 per cent 10 years before.

**Coverage of Employer Sponsored Pension Plans Has Been Declining in BC**




Source: Statistics Canada --Canada's Retirement Income Programs

Why has the coverage of employers' sponsored retirement plans decreased? To help us answer that question, the "Survey of Work Arrangements" carried out by Statistics Canada in November 1995, provides a profile of workers covered by an RPP.

The industry in which a worker is employed is the main factor that determines RPP coverage. Unions have sucessfully obtained employer sponsored retirement plans for their members—78 per cent of union members are covered by an RPP, compared to 26 per cent of non-union members. Therefore, highly unionized sectors of private industry such as mining, forestry, transportation and manufacturing, have employees that are most often covered. Furthermore, employees in the public sector are almost all covered.

This is in contrast to the private, non-unionized sector, where such industries as trade has 20 per cent coverage, service less than 10 per cent and agriculture 13 per cent. The one private, low-unionized sector that does offer RPPs to its employees is the financial services industry such as banks and insurance companies. Their coverage rate is 56 per cent.

Between 1983 and 1989, the period when coverage was dropping, there was a significant difference in the growth rates between the high and low RPP covered sectors—growth was 10 per cent for the high RPP coverage sectors and 33 per cent for the remainder. In other words, most jobs created in the 80s did not have RPP coverage, which would explain the decline.

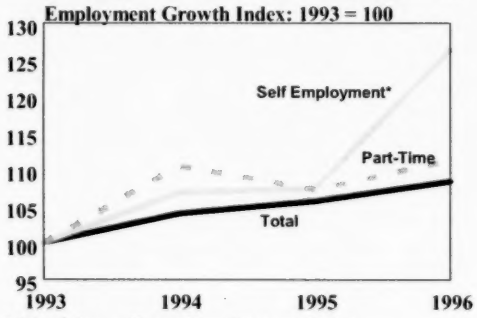
## Future Prospects for RPP Coverage.

Since 1993, while data on RPP coverage is not available, there have been significant changes to the structure of the economy that would suggest

BC STATS, Min. of Finance & Corporate Relations, Box 9410 Stn Prov Govt, Victoria, B.C. V8W 9V1
Tel: (250) 387-0327 Fax: (250) 387-0329 Web: http://www.bcstats.gov.bc.ca E-mail: BCSTATS@fincc04.fin.gov.bc.ca

further declines in coverage are likely. First, only paid workers, working for an employer, are covered. Therefore, all self-employed persons are excluded (unless they own and operate an organization large enough to provide a company pension plan). Second, amongst paid workers, part-time workers are less likely to be covered by a pension plan. Only one in five part-time employees was covered, compared to one in two full-time employees. Many labour market analysts project that self employment and part-time employment, often referred to as "non-standard" employment, is the wave of the future.

**Since 1993, Non-Standard Employment has Far Outpaced Standard Employment**




*Includes only those with no paid employees working for

Another 1990s trend that would further decrease RPP coverage is the declining importance of the public sector in the economy. Since 1993, the public sector in BC has actually decreased in size by approximately 20,000 employees.

**CPP**

The Canada Pension Plan (CPP) currently covers almost all workers in BC over the age of 17. There are minor exceptions to this coverage, such as members of religious orders, the armed forces, etc., but basically the CPP is a universal workforce plan.

In 1993, 82 percent of all Canadians over the age of 64 received CPP/QPP benefits. This proportion has been increasing each year as more and more women who have worked outside the home and who are therefore entitled to benefits, reach retirement age.

In the overall picture, the importance of CPP income to the total income of seniors stood at 17 percent in 1993. However, the importance of CPP to seniors' standard of living varies enormously across income groups. For those seniors with incomes under $20,000 per year, CPP represented one quarter of their income, while those receiving $60,000 or more, it was a mere 3 per cent.

In conclusion, as coverage of employer sponsored retirement plans appear to be waning due to the changing nature of work and the employer/employee relationship, the CPP will increase in importance for low and middle income seniors.

# Infoline

December 5, 1997

fax transmission information service from **BC STATS**

also on the Internet at http://www.bcstats.gov.bc.ca

## BC at a glance . . .

| **POPULATION (thousands)** | Jul 1/97 | % change on year ago |
|---|---|---|
| BC | 3,933.3 | 2.0 |
| Canada | 30,286.6 | 1.1 |
| **GROSS DOMESTIC PRODUCT** | | % change |
| *(BC - at market prices - $ millions)* | 1996 | on year ago |
| Current Dollars | 103,631 | 1.7 |
| Constant (1986) Dollars | 74,001 | 1.0 |
| **TRADE ($ millions)** | | |
| Manufacturing Shipments (seas. adj.) Sep | 2,824 | -2.4 |
| Merchandise Exports (raw) Sep | 2,110 | -9.5 |
| Retail Sales (seasonally adjusted) Sep | 2,761 | 8.1 |
| **CONSUMER PRICE INDEX** | | % change |
| *(all items - 1986=100)* | Oct '97 | on year ago |
| BC | 139.5 | 0.6 |
| Canada | 138.2 | 1.5 |
| **LABOUR FORCE (thousands)** | | % change |
| *(seasonally adjusted)* | Nov '97 | on year ago |
| Labour Force - BC | 2,028 | 0.5 |
| Employed - BC | 1,848 | 1.0 |
| Unemployed - BC | 181 | -4.5 |
| | | Nov '96 |
| Unemployment Rate - BC *(percent)* | 8.9 | 9.4 |
| Unemployment Rate - Canada *(percent)* | 9.0 | 10.0 |
| **INTEREST RATES (percent)** | Dec 3/97 | Dec 4/96 |
| Prime Business Rate | 5.50 | 4.75 |
| Conventional Mortgages - 1 year | 5.90 | 5.20 |
| - 5 year | 6.70 | 6.95 |
| **US/CANADA EXCHANGE RATE** | Dec 3/97 | Dec 4/96 |
| *(avg. noon spot rate)* Cdn $ | 1.4178 | 1.3495 |
| US $ *(reciprocal of above rate)* | 0.7053 | 0.7410 |
| **AVERAGE WEEKLY EARNINGS** | | % change |
| *(industrial aggregate - dollars)* | Sep '97 | on year ago |
| BC | 614.13 | 1.1 |
| Canada | 600.35 | 1.8 |

**SOURCES:**
Gross Domestic Product: Statistics Canada, revised by BC STATS
Population, Trade, Prices, Labour Force, Earnings: Statistics Canada
Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

**Released this week by BC STATS**
- Tourism Room Revenue, August 1997

**Next week**
- Exports, August 1997
- Labour Force Statistics, November 1997

BC STATS, Min. of Finance & Corporate Relations, Box 9410 Stn Prov Govt, Victoria, B.C. V8W 9V1
Tel: (250) 387-0327 Fax: (250) 387-0329 Web: http://www.bcstats.gov.bc.ca E-mail: BCSTATS@fincc04.fin.gov.bc.ca